Testimony By Andy Tarutis, Licensed Nursing Home Administrator

Chairs & Members of the Appropriations Committee:

My name is Andy Tarutis. Our company TransCon owns & operates 4 Nursing Homes & 2 Assisted Living facilities in Hamden, New Milford, Greenwich, & Wilton Connecticut. We care for over 750 elderly and we employ almost 1000 staff members. We are a major employer in the communities we serve.

I am a licensed Administrator who has made a life long career serving Connecticut's seniors.

And I am here to express my concern for the continued viability of the Connecticut Nursing Home Industry. It is an Industry <u>already</u> in serious distress, and the Governor's proposed budget will not help.

The facts are sobering:

- Just in the past month, 3 Ct. nursing homes announced they were closing or have closed.
- Since 2001 approximately 10% of the Connecticut's Nursing Homes have shut down. More are expected.
- Currently 5 Ct. Nursing Homes are in bankruptcy & 10 are in State receivership!

A failed Medicaid system is at the heart of the problem. Inadequate Medicaid funding – year after year – in the face of raising costs doesn't add up.

Even facilities that remain open are challenged. Many – if not most - are pained with hard decisions in order to stay afloat. <u>Layoffs</u> – and other cuts - have <u>already</u> begun – and many many more layoffs & cuts are expected.

All of this is the <u>opposite</u> of economic stimulus! It is economic decay! Workers & their families lose their incomes, their health insurance coverage & other benefits – our State's Unemployment rolls increase – and important taxes & revenues for the State disappear.

All of this has negative effects upon the ability to delivery quality care. Quality care requires facilities & staff - not less of the same. And as more closures occur, the possibility of finding placement will disappear. Then where will these infirm elderly go? They cannot be put out on the streets like the homeless.

Is <u>this</u> the legacy our State budget setters have created for our Connecticut seniors who have served our Country, our great State, and our families?

These patients are some of YOUR most elderly, most frail, and most defenseless CONSTITUENTS. Medicaid patients constitute the majority of our State Nursing Home residents. They are a large – but silent group – as they are compromised in expressing their voice. But they DO need YOUR help.

PLEASE help them by saving the Connecticut Nursing Home industry – which houses and cares for them. Again - substandard Medicaid funding is the essence of the problem, and the Governor's budget provides no relief.

Thank you for listening and for helping going forward!

Sincerely, Andrew J. Tarutis, Licensed Nursing Home Administrator 7 Leonard Road Hamden, Connecticut 06514

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